

CENTRAL INTELLIGENCE AGENCY

OFFICE OF THE DEPUTY DIRECTOR

20 Jan 88

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NOTE FOR:

Public Affairs Office
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Mary Evelyn,

Attached are Mr. Gates' two
Dallas speeches, and your trip
book for Dallas.

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DALLAS ASSEMBLY/CHARTER 100/ATLANTIC COUNCIL
19 JANUARY 1988

CIA AND THE MAKING OF AMERICAN FOREIGN POLICY
BY ROBERT M. GATES
DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE

INTRODUCTION

OVER THE YEARS, PUBLIC VIEWS OF CIA AND ITS ROLE IN AMERICAN FOREIGN POLICY HAVE BEEN SHAPED PRIMARILY BY MOVIES, TELEVISION, NOVELS, NEWSPAPERS, BOOKS BY JOURNALISTS, HEADLINES GROWING OUT OF CONGRESSIONAL INQUIRIES, EXPOSES BY FORMER INTELLIGENCE OFFICERS, AND ESSAYS BY EXPERTS WHO HAVE NEVER SERVED IN AMERICAN INTELLIGENCE AND BY SOME WHO HAVE SERVED AND STILL NEVER UNDERSTOOD OUR ROLE. WE ARE SAID TO BE AN INVISIBLE GOVERNMENT AND YET ARE THE MOST VISIBLE, MOST EXTERNALLY SCRUTINIZED AND MOST PUBLICIZED INTELLIGENCE SERVICE IN THE WORLD. WHILE WE SOMETIMES ARE ABLE TO REFUTE PUBLICLY ALLEGATIONS AND CRITICISM AGAINST US, USUALLY WE MUST REMAIN SILENT. THE RESULT IS A CONTRADICTIONARY MELANGE OF IMAGES OF CIA AND VERY LITTLE UNDERSTANDING OF OUR REAL ROLE IN AMERICAN GOVERNMENT.

TODAY, I WOULD LIKE TO TRY TO ILLUMINATE, AND I HOPE EXPAND, YOUR UNDERSTANDING OF CIA'S ROLE IN THE MAKING OF AMERICAN FOREIGN POLICY.

THIS ROLE TAKES THREE BROAD FORMS:

- FIRST, CIA IS RESPONSIBLE FOR THE COLLECTION, ANALYSIS AND DISTRIBUTION OF INTELLIGENCE INFORMATION TO THE PRESIDENT, THE NATIONAL SECURITY COUNCIL, THE DEPARTMENTS OF STATE AND DEFENSE AND MANY OTHER DEPARTMENTS AND AGENCIES.
- SECOND, CIA IS CHARGED WITH THE CONDUCT OF COVERT ACTION, THE ONE AREA WHERE WE IMPLEMENT POLICY. THIS IS A SUBJECT SO COMPLEX AND SO CONTROVERSIAL AS TO REQUIRE SEPARATE TREATMENT AT ANOTHER TIME, ANOTHER PLACE.
- THIRD, AND MOST SIGNIFICANT, CIA'S ROLE IS PLAYED OUT IN THE INTERACTION, PRIMARILY IN WASHINGTON, BETWEEN CIA AND THE POLICY COMMUNITY. IT IS IN THE DYNAMICS OF THIS RELATIONSHIP THAT THE INFLUENCE AND ROLE OF CIA ARE DETERMINED -- WHETHER CIA'S ASSESSMENTS ARE HEEDDED OR NOT, WHETHER CIA'S INFORMATION IS RELEVANT AND TIMELY ENOUGH TO BE USEFUL, AND WHETHER CIA'S RELATIONSHIP WITH POLICYMAKERS FROM ISSUE TO ISSUE AND PROBLEM TO PROBLEM, IS SUPPORTIVE OR ADVERSARIAL. IT IS THIS DYNAMIC INTERACTION OF INTELLIGENCE AND POLICY THAT IS THE LEAST WELL UNDERSTOOD AND IT IS THIS AREA THAT I WILL FOCUS ON TODAY.

WHAT THEN, DOES CIA DO? BECAUSE OF THE MEDIA'S FOCUS ON COVERT ACTION, I WOULD LIKE TO SAY FIRST OF ALL THAT OVER 95 PERCENT OF THE NATIONAL INTELLIGENCE BUDGET IS DEVOTED TO THE COLLECTION AND ANALYSIS OF INFORMATION. ABOUT THREE PERCENT OF CIA'S PEOPLE ARE INVOLVED IN COVERT ACTION.

COLLECTION AND ANALYSIS

NOW, IF WE ARE NOT SPENDING MOST OF OUR TIME AND MONEY ATTEMPTING TO OVERTHROW GOVERNMENTS, WHAT EXACTLY DOES CIA DO? CIA DEVOTES THE OVERWHELMING PREPONDERANCE OF ITS RESOURCES TO MONITORING AND REPORTING ON DAY TO DAY DEVELOPMENTS AROUND THE WORLD, AND DETERMINING AND RESPONDING TO POLICYMAKERS' LONGER RANGE REQUIREMENTS FOR INFORMATION AND ANALYSIS.

INTELLIGENCE INFORMATION FINDS ITS WAY TO THE POLICYMAKER IN SEVERAL WAYS:

- FIRST, INTELLIGENCE ON DAY TO DAY EVENTS AND DEVELOPMENTS AROUND THE WORLD IS PROVIDED TO SENIOR OFFICIALS DAILY OR EVEN SEVERAL TIMES A DAY.
- SECOND, THE CIA CONTRIBUTES ANALYSIS TO POLICY PAPERS DESCRIBING BOTH EVENTS AT HAND AND POTENTIAL

OPPORTUNITIES OR PROBLEMS FOR THE UNITED STATES.

NEARLY ALL NSC AND SUB-CABINET MEETINGS BEGIN WITH AN INTELLIGENCE BRIEFING.

- THIRD, NATIONAL INTELLIGENCE ESTIMATES CAN PLAY AN IMPORTANT ROLE IN THE MAKING OF POLICY. THESE ESTIMATES ARE THE MOST FORMAL EXPRESSION OF THE INTELLIGENCE COMMUNITY'S VIEWS. ALL OF THE INTELLIGENCE AGENCIES OF THE GOVERNMENT BOTH CONTRIBUTE TO AND COORDINATE ON WHAT IS SAID IN THESE ESTIMATES.

- FOURTH, POLICYMAKERS RECEIVE SPECIALIZED ASSESSMENTS BY INDIVIDUAL AGENCIES. CIA'S ASSESSMENTS OR RESEARCH PROGRAM IS THE PRODUCT OF THE LARGEST INTELLIGENCE COLLECTION AND ANALYSIS ORGANIZATION IN THE WORLD. THE RANGE OF ISSUES IS BREATHTAKING -- FROM STRATEGIC WEAPONS TO FOOD SUPPLIES; EPIDEMIOLOGY TO SPACE; WATER AND CLIMATE TO THIRD WORLD POLITICAL INSTABILITY; MINERAL AND ENERGY RESOURCES TO INTERNATIONAL FINANCE; SOVIET LASER WEAPONS TO REMOTE TRIBAL DEMOGRAPHICS; CHEMICAL AND BIOLOGICAL WEAPONS PROLIFERATION TO COMMODITY SUPPLIES; AND MANY, MANY MORE.

CIA-POLICY RELATIONSHIPS

SO FAR, SO GOOD. WHAT I HAVE JUST REVIEWED IS A TEXTBOOK DESCRIPTION OF THE ROLE OF INTELLIGENCE. IT IS NEAT, UNAMBIGUOUS, CLINICAL, NON-CONTROVERSIAL, EVEN COMMENDABLE -- AND HIGHLY MISLEADING. WHAT ABOUT USERS WHO LOOK NOT FOR DATA OR UNDERSTANDING, BUT FOR SUPPORT FOR DECISIONS ALREADY MADE; OR THOSE WHO SELECTIVELY USE OR MISSTATE INTELLIGENCE TO INFLUENCE PUBLIC DEBATE OVER POLICY; OR USERS WHO LABEL INTELLIGENCE THEY DISLIKE AS TOO SOFT, TOO HARD OR COOKED; OR INTELLIGENCE OFFICERS WITH THEIR OWN AGENDAS OR BIASES; OR THE IMPLICATIONS FOR INTELLIGENCE AND POLICY OF A CIA DIRECTOR HELD AT TOO GREAT A DISTANCE FROM THE PRESIDENT OR ONE WHO IS HELD TOO CLOSE; OR THE FRUSTRATIONS OF CONSTANTLY CHANGING EVALUATIONS, OR ANALYSIS THAT IS JUST PLAIN WRONG; OR THE USE OF INTELLIGENCE AS A POLITICAL FOOTBALL BETWEEN GOVERNMENT DEPARTMENTS OR BETWEEN THE EXECUTIVE AND LEGISLATIVE BRANCHES? THE ATTITUDES AND BEHAVIOR OF OFFICIALS IN CIA AND POLICY AGENCIES THAT LIE BEHIND THESE AND MANY SIMILAR ISSUES AND THE INTERACTION AMONG THEM COMPRISE THE DYNAMIC OF THE RELATIONSHIP -- WHAT PROFESSOR YEHOSEFAT HARKABI OF HEBREW UNIVERSITY OF JERUSALEM DESCRIBES AS "THE INTELLIGENCE-POLICYMAKER TANGLE."

THE FACT IS THAT, OVER THE YEARS, THE POLICYMAKER AND THE INTELLIGENCE OFFICER HAVE CONSISTENTLY -- AND WITH

FRIGHTENINGLY FEW EXCEPTIONS -- COME TOGETHER HUGELY IGNORANT OF THE REALITIES AND COMPLEXITIES OF EACH OTHER'S WORLD -- PROCESS, TECHNIQUE, FORM AND CULTURE. CIA OFFICERS CAN TELL YOU IN EXCRUCIATING DETAIL HOW FOREIGN POLICY IS MADE IN EVERY COUNTRY IN THE WORLD SAVE ONE -- THE UNITED STATES. BY THE SAME TOKEN, AS SUGGESTED BY PROFESSOR HARKABI, THE UNHAPPINESS OF INTELLIGENCE PEOPLE SWELLS "WHEN THEY COMPARE THE SOPHISTICATION AND ADVANCED METHODS EMPLOYED IN COLLECTION OF THE INFORMATION AND THE PRODUCTION OF INTELLIGENCE AGAINST THE CAVALIER FASHION OR IMPROVISATION WITH WHICH POLICY DECISIONS ARE MANY A TIME REACHED."

THE INSTITUTIONAL AUTONOMY OF THE AMERICAN INTELLIGENCE SERVICE -- OF CIA -- IS UNIQUE IN THE WORLD. WHILE THIS CONFERS CERTAIN ADVANTAGES, ABOVE ALL INDEPENDENCE, SUCH AUTONOMY ALSO IMBUES THE CIA-POLICY COMMUNITY RELATIONSHIP WITH A SIGNIFICANT ADVERSARIAL AS WELL AS SUPPORTIVE CONTENT. AND, THE POLICYMAKER HAS A LONG LIST OF GRIEVANCES, MANY LEGITIMATE, SOME NOT.

-- POLICYMAKERS LEGITIMATELY WANT INTELLIGENCE INFORMATION THAT WILL INFORM AND GUIDE THEIR TACTICAL DAY TO DAY DECISIONMAKING. IN SOME AREAS, WE CAN AND DO MEET THEIR NEEDS. FOR EXAMPLE, IN 1980, THANKS TO A VERY BRAVE MAN, WE WERE ABLE TO PROVIDE POLICYMAKERS WITH KNOWLEDGE OF THE STEP BY STEP PREPARATIONS FOR THE

IMPOSITION OF MARTIAL LAW IN POLAND. IN EARLY 1986, WE WERE ABLE TO DOCUMENT IN EXTRAORDINARY DETAIL ELECTORAL CHEATING IN THE PHILIPPINES. THERE ARE EVEN SOME AREAS WHERE OUR INTELLIGENCE IS SO GOOD THAT IT REDUCES POLICYMAKERS FLEXIBILITY AND ROOM FOR MANEUVER. YET, I WOULD HAVE TO ACKNOWLEDGE THAT THERE ARE COUNTRIES AND ISSUES IMPORTANT TO THE UNITED STATES WHERE SUCH TACTICAL INTELLIGENCE -- MOST OFTEN POLITICAL INTELLIGENCE -- IS SORELY DEFICIENT AND POLICYMAKER COMPLAINTS ARE JUSTIFIED.

-- IT WILL NOT SURPRISE YOU THAT VERY FEW POLICYMAKERS WELCOME CIA INFORMATION WHICH DIRECTLY OR BY INFERENCE CHALLENGES THE SUCCESS OR ADEQUACY OF THEIR POLICIES OR THE ACCURACY OF THEIR PRONOUNCEMENTS. INDEED, DURING THE VIETNAM WAR, A CONSTANT REFRAIN FROM POLICYMAKERS WAS, "AREN'T YOU GUYS ON THE TEAM?"

-- IN THIS CONNECTION, THE POLICYMAKER IS OFTEN SUSPICIOUS THAT WHEN CIA'S ANALYSIS SUGGESTS POLICY IS FAILING OR IN DIFFICULTY, THESE CONCLUSIONS ARE, WITH MALICE, WIDELY CIRCULATED BY THE AGENCY FOR USE AS AMMUNITION BY CRITICS OF THE POLICY INSIDE THE EXECUTIVE BRANCH, WITH CONGRESS OR WITH THE PUBLIC.

-- MANY POLICYMAKERS BELIEVE CIA ALLOWS ITS BIASES TO DOMINATE ITS REPORTING. WHO WOULD DISAGREE THAT CIA OFFICERS HAVE VIEWS AND BIASES, AND THAT THEY TRY TO PROMOTE THEM? BUT, CIA IS NOT MONOLITHIC; THERE IS A WIDE RANGE OF VIEWS INSIDE ON VIRTUALLY EVERY ISSUE. INDEED, THE INTERNAL DEBATES ARE FIERCE AND SOMETIMES BRUTAL -- AFTER ALL, THE STAKES ARE VERY HIGH. IT IS NOT A PLACE FOR THE FAINT-HEARTED. WE HAVE ELABORATE PROCEDURES FOR REVIEWING ASSESSMENTS TO TRY TO FILTER OUT INDIVIDUAL BIAS AND MAKE OUR REPORTING AS OBJECTIVE AS POSSIBLE. AND WHEN WE SEND OUT A PROVOCATIVE ANALYSIS BY AN INDIVIDUAL WE TRY ALWAYS TO IDENTIFY IT AS A PERSONAL VIEW.

BEYOND THIS, IS THERE AN INSTITUTIONAL BIAS THAT AFFECTS OUR WORK? PROBABLY, IN SOME AREAS, IN THE BROADEST SENSE, AND PERHAPS BASED ON EXPERIENCE. AS AN INSTITUTION, WE ARE PROBABLY MORE SKEPTICAL OF SOVIET INTENTIONS THAN MOST; MORE CYNICAL ABOUT THE PUBLIC POSTURE OF OTHER GOVERNMENTS WHEN CONTRASTED TO THEIR ACTIONS, OVERT AND COVERT; MORE DOUBTFUL ABOUT THE EASE AND SPEED WITH WHICH THE UNITED STATES CAN USUALLY AFFECT DEVELOPMENTS OVERSEAS; AND, FAIRLY CONSISTENTLY, WE WILL TEND TO SEE PERILS AND DIFFICULTY WHERE OTHERS DO NOT.

-- POLICYMAKERS' IMPATIENCE WITH INTELLIGENCE -- WITH CIA -- IS INTENSIFIED BY THE FACT THAT WE ARE SOMETIMES WRONG IN OUR ANALYSIS AND FORECASTS, AND WE OFTEN CHANGE OUR ASSESSMENTS BASED ON NEW ANALYSIS OR NEW INFORMATION. WE DO NOT ACKNOWLEDGE ERROR GRACEFULLY, AND OFTEN DO NOT FOREWARN POLICYMAKERS OF REVISED VIEWS BEFORE THE INFORMATION HITS THE STREET. A POLICYMAKER WHO HAS MADE DECISIONS BASED ON ONE ASSESSMENT ONLY TO SEE IT CHANGE OR TO FIND THAT IT WAS WRONG WILL NOT THINK FONDLY OF US OR SOON WISH AGAIN TO PROCEED ON OUR ASSURANCES OR ASSESSMENTS.

-- CIA'S RELATIONSHIP WITH CONGRESS ALSO IS A SPECIAL PROBLEM FOR POLICYMAKERS FOR SEVERAL REASONS, AND IT PROFOUNDLY INFLUENCES OUR ROLE. VIRTUALLY ALL CIA ASSESSMENTS GO TO THE TWO CONGRESSIONAL INTELLIGENCE COMMITTEES. MOST GO ALSO TO THE ARMED SERVICES, FOREIGN RELATIONS, AND APPROPRIATIONS COMMITTEES. IN 1986, CIA SENT SOME 5000 INTELLIGENCE REPORTS TO CONGRESS AND GAVE MANY HUNDREDS OF BRIEFINGS. ALL THIS IS NEW IN THE LAST DECADE OR SO. AS A RESULT, AND THANKS TO THEIR STAFFS, MANY SENATORS AND REPRESENTATIVES ARE OFTEN BETTER INFORMED ABOUT CIA'S INFORMATION AND ASSESSMENTS ON A GIVEN SUBJECT THAN THE POLICYMAKER. AND THAT INTELLIGENCE IS OFTEN USED TO

CRITICIZE AND CHALLENGE POLICY, TO SET ONE EXECUTIVE AGENCY AGAINST ANOTHER, AND TO EXPOSE DISAGREEMENTS WITHIN AN ADMINISTRATION.

MOST SPECIALISTS WRITING ABOUT THE CHANGED BALANCE OF POWER IN RECENT YEARS BETWEEN THE EXECUTIVE AND CONGRESS ON NATIONAL SECURITY POLICY, CITE WATERGATE AND VIETNAM AS PRIMARY CAUSES. I BELIEVE THERE WAS A THIRD PRINCIPAL FACTOR -- WHEN CONGRESS OBTAINED ACCESS TO INTELLIGENCE INFORMATION IN THE MID-1970S ESSENTIALLY EQUAL TO THAT OF THE EXECUTIVE BRANCH.

THIS SITUATION ADDS EXTRAORDINARY STRESS TO THE RELATIONSHIP BETWEEN CIA AND POLICY AGENCIES. POLICYMAKER SUSPICION OF CIA USING INTELLIGENCE TO SABOTAGE SELECTED ADMINISTRATION POLICIES IS OFTEN NOT FAR BELOW THE SURFACE. AND NOT A FEW MEMBERS OF CONGRESS ARE WILLING TO EXPLOIT THIS SITUATION BY THEIR OWN SELECTIVE USE OF INTELLIGENCE THAT SUPPORTS THEIR VIEWS. THE END RESULT IS TO STRENGTHEN THE CONGRESSIONAL HAND IN POLICY DEBATES AND TO HEIGHTEN GREATLY THE TENSIONS BETWEEN CIA AND THE REST OF THE EXECUTIVE BRANCH.

NOW, LET ME TURN TO CIA'S ROLE AND RELATIONSHIP WITH THE POLICYMAKER AS SEEN FROM OUR VANTAGE POINT.

-- LET ME SAY AT THE OUTSET THAT IN EVERY ADMINISTRATION DURING WHICH I HAVE SERVED THERE HAVE BEEN A NUMBER OF SENIOR POLICYMAKERS (ASSISTANT SECRETARY AND ABOVE) WHO WERE AVID USERS AND READERS OF INTELLIGENCE AND WHO AGGRESSIVELY SOUGHT CIA ANALYSIS AND VIEWS. THEY DEDICATED CONSIDERABLE TIME TO TALKING ABOUT SUBSTANTIVE AND POLICY PROBLEMS WITH US. WE HAVE HAD UNPRECEDENTED ACCESS IN THIS ADMINISTRATION FROM THE PRESIDENT ON DOWN, ESPECIALLY FOR ANALYSIS, AND DAILY CONTACT WITH THE MOST SENIOR OFFICIALS OF THE GOVERNMENT, INCLUDING THE VICE PRESIDENT AND THE SECRETARIES OF STATE AND DEFENSE. THEY HAVE OFTEN DIRECTLY TASKED US AND OFFERED REACTIONS TO THE INTELLIGENCE THEY READ -- AND THEY HAVE READ A GREAT DEAL. THIS IS TRUE ALSO OF THEIR SENIOR SUBORDINATES, WITH WHOM WE ARE IN CONSTANT CONTACT. THIS HAS CONTRIBUTED ENORMOUSLY TO IMPROVING THE RELEVANCE, TIMING, AND SUBSTANCE OF OUR ANALYSIS AND OTHER SUPPORT. IT IS A DYNAMIC, HEALTHY RELATIONSHIP, EVEN THOUGH IT IS FOCUSED PRIMARILY ON CURRENT ISSUES.

-- THIS PREOCCUPATION WITH CURRENT REPORTING IS, FROM OUR PERSPECTIVE, A MAJOR PROBLEM. IF, AS I HAVE BEEN TOLD, THE AVERAGE TENURE OF AN ASSISTANT SECRETARY IN GOVERNMENT IS 21 MONTHS, A SHORT TERM FOCUS IS

UNDERSTANDABLE BUT LAMENTABLE, AND, ULTIMATELY, VERY COSTLY TO OUR COUNTRY. ONE OF OUR GREATEST CONCERNS OVER THE YEARS HAS BEEN THE UNWILLINGNESS OR INABILITY OF MOST POLICYMAKERS TO SPEND MUCH TIME ON LONGER RANGE ISSUES -- LOOKING AHEAD SEVERAL STEPS -- OR IN HELPING TO GUIDE OR DIRECT OUR EFFORTS.

-- IN PART BECAUSE OF INSUFFICIENT TIME SPENT ON INTELLIGENCE, TOO MANY POLICYMAKERS EARLY ON HAVE UNREALISTIC EXPECTATIONS ABOUT WHAT WE CAN DO THAT, WHEN DISAPPOINTED, TURN TO SKEPTICISM WHETHER WE CAN DO ANYTHING.

-- IT HAS BEEN MY EXPERIENCE OVER THE YEARS THAT THE POLICYMAKERS' RESPONSE TO INTELLIGENCE THEY DISAGREE WITH OR FIND UNPALATABLE MOST OFTEN IS TO IGNORE IT; SOMETIMES, THEY WILL CHARACTERIZE IT AS INCOMPLETE, TOO NARROWLY FOCUSED OR AS INCOMPETENT (AND THEY ARE SOMETIMES RIGHT); AND OCCASIONALLY THEY WILL CHARGE THAT IT IS "COOKED" OR THAT IT REFLECTS A CIA BIAS. IN 21 YEARS IN INTELLIGENCE, I HAVE NEVER HEARD A POLICYMAKER (OR ANYONE ELSE FOR THAT MATTER) CHARACTERIZE AS BIASED OR COOKED A CIA ASSESSMENT WITH WHICH HE AGREED. ON VIETNAM, VARIOUS ASPECTS OF SOVIET POLICY AND BEHAVIOR, ANGOLA, LEBANON, THE EFFECTIVENESS OF EMBARGOES OR SANCTIONS, AND OTHER ISSUES OVER THE

YEARS, OUR ANALYSTS HAVE DRAWN CONCLUSIONS THAT DASH COLD WATER ON THE HOPES AND EFFORTS OF THE POLICYMAKERS. SOMETIMES WE HAVE BEEN WRONG, BUT ON PROBLEMS LARGE AND SMALL WE HAVE NOT FLINCHED FROM PRESENTING OUR HONEST VIEW.

POLICYMAKERS HAVE ALWAYS LIKED INTELLIGENCE THAT SUPPORTED WHAT THEY WANT TO DO, AND THEY OFTEN TRY TO INFLUENCE THE ANALYSIS TO COME TO CONCLUSIONS THEY WANT. THEY ASK CAREFULLY PHRASED QUESTIONS; THEY SOMETIMES WITHHOLD INFORMATION; THEY BROADEN OR NARROW THE ISSUE; ON RARE OCCASIONS, THEY EVEN TRY TO INTIMIDATE. THE PRESSURES CAN BE ENORMOUS. THIS IS WHERE THE INTEGRITY OF INTELLIGENCE OFFICERS, BOLSTERED BY A NATURAL TENDENCY TO RESIST PRESSURE AND AN OFTEN ADVERSARIAL BUREAUCRATIC RELATIONSHIP, COMES INTO PLAY TO PROTECT THE INDEPENDENCE OF THE ASSESSMENT.

A FINAL THOUGHT. TO ATTEMPT TO SLANT INTELLIGENCE NOT ONLY TRANGRESSES THE DEEPEST ETHICAL AND CULTURAL PRINCIPLE OF CIA, WE ALL KNOW IT WOULD ALSO BE FOOLISH -- IT WOULD PRESUPPOSE A SINGLE POINT OF VIEW IN AN ADMINISTRATION AND WOULD IGNORE THE REALITY OF CONGRESSIONAL READERSHIP. INDEED, IN MY OPINION, THE SHARING OF INTELLIGENCE WITH CONGRESS IS ONE OF THE SUREST GUARANTEES OF CIA'S INDEPENDENCE AND

OBJECTIVITY. AS DIRECTOR WEBSTER HAS SAID, "WE INTEND TO 'TELL IT AS IT IS,' AVOIDING BIAS AS MUCH AS WE CAN, OR THE POLITICIZATION OF OUR PRODUCT. POLICYMAKERS MAY NOT LIKE THE MESSAGE THEY HEAR FROM US, ESPECIALLY IF THEY HAVE A DIFFERENT POINT OF VIEW. MY POSITION IS THAT IN THE PREPARATION OF INTELLIGENCE JUDGMENTS, PARTICULARLY IN NATIONAL INTELLIGENCE ESTIMATES, WE WILL PROVIDE THEM FOR THE USE OF POLICYMAKERS. THEY CAN BE USED IN WHOLE OR IN PART. THEY CAN BE IGNORED, OR TORN UP, OR THROWN AWAY, BUT THEY MAY NOT BE CHANGED."

CONCLUSION

WHAT I HAVE DESCRIBED HERE IS THE REALITY OF CIA'S ROLE IN THE MAKING OF AMERICAN FOREIGN POLICY. I HAVE TRIED TO GO BEYOND THE MECHANICS AND THE HEADLINES TO IDENTIFY THE STRESSES, TENSIONS, RIVALRIES, ENDURING COMPLAINTS AND RELATIONSHIPS -- THE PULLING AND HAULING, DAY IN AND DAY OUT, REAL LIFE IF YOU WILL -- THAT DETERMINE CIA'S ROLE AND ITS IMPACT. CIA'S AUTONOMY IS UNIQUE IN OUR GOVERNMENT, ITS RELATIONSHIP WITH THE LEGISLATURE IS UNIQUE IN THE WORLD. OUR RELATIONSHIPS WITH OTHER ELEMENTS OF THE EXECUTIVE ARE A DYNAMIC BLEND OF SUPPORT AND RIVALRY, OF COOPERATION AND CONFLICT.

THE REAL INTELLIGENCE STORY IN RECENT YEARS IS THE SIGNIFICANT IMPROVEMENT, WITH HELP FROM BOTH THE PRESIDENT AND CONGRESS, IN THE QUALITY, RELEVANCE AND TIMELINESS OF INTELLIGENCE SUPPORT TO THE POLICYMAKER -- A STORY THAT HAS BEEN NEGLECTED IN PREFERENCE TO CONTROVERSIAL COVERT ACTIONS, PROBLEMS BETWEEN CIA AND THE CONGRESS, AND SPY SCANDALS. WE UNDERSTAND THIS POLITICAL REALITY, BUT IT IS IMPERATIVE THAT AMERICANS KNOW THAT OUR PRIMARY MISSION REMAINS THE COLLECTION AND ANALYSIS OF INFORMATION. THIS IS OUR PRIMARY ROLE IN THE MAKING OF AMERICAN FOREIGN POLICY.

THE PRESIDENT, THE POLICY COMMUNITY, AND THE CONGRESS -- ALBEIT SOMETIMES WITH CLENCHED TEETH -- DEPEND UPON US, TASK US, AND LOOK TO US MORE EACH DAY. WE ATTRACT AMERICA'S BRIGHTEST YOUNG PEOPLE, WHO FIND WITH CIA EXCEPTIONALLY CHALLENGING, HONORABLE, AND CONSISTENTLY FASCINATING CAREERS. IN THE LAST SENTENCE OF HIS RECENT HISTORY OF CIA, JOHN RANELAGH STATES, "IN ITS MOMENTS OF ACHIEVEMENT AS WELL AS CONDEMNATION, THE AGENCY WAS A REMINDER THAT IT WAS A FAITHFUL INSTRUMENT OF THE MOST DECENT AND PERHAPS THE SIMPLEST OF THE GREAT POWERS, AND CERTAINLY THE ONE THAT EVEN IN ITS DARKEST PASSAGES PRACTICED MOST CONSISTENTLY THE VIRTUE OF HOPE."

THE UNITED STATES HAS THE FINEST GLOBAL INTELLIGENCE SERVICE IN THE WORLD. FAITHFUL TO THE CONSTITUTION AND THE

LAWS, IT HELPS TO SAFEGUARD OUR FREEDOM AGAINST OUR ADVERSARIES AND HELPS THE POLICYMAKER UNDERSTAND AND DEAL WITH THE OFTEN DANGEROUS WORLD AROUND US. CIA IS TRULY AMERICA'S FIRST LINE OF DEFENSE -- ITS EYES AND EARS. AND OUR DEEPEST COMMITMENT, TO BORROW A PHRASE USED BY ERIC LARRABEE TO DESCRIBE GEORGE MARSHALL, IS "TO SPEAK TRUTH TO POWER."

DALLAS COUNCIL ON WORLD AFFAIRS
19 JANUARY 1988

WHAT IS GOING ON IN THE SOVIET UNION
BY ROBERT M. GATES
DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE

INTRODUCTION

THE SELECTION OF MIKHAIL GORBACHEV AS GENERAL SECRETARY IN THE SPRING OF 1985 SIGNALLED THE POLITBURO'S RECOGNITION THAT THE SOVIET UNION WAS IN DEEP TROUBLE -- ESPECIALLY ECONOMICALLY AND SPIRITUALLY -- TROUBLE THAT THEY RECOGNIZED WOULD SOON BEGIN TO HAVE REAL EFFECT ON MILITARY POWER AND THEIR POSITION IN THE WORLD. DESPITE ENORMOUS RAW ECONOMIC POWER AND RESOURCES, INCLUDING A \$2 TRILLION A YEAR GNP, THE SOVIET LEADERSHIP BY THE MID-1980S CONFRONTED A STEADILY WIDENING GAP WITH THE WEST AND JAPAN -- ECONOMICALLY, TECHNOLOGICALLY AND IN VIRTUALLY ALL AREAS OF THE QUALITY OF LIFE.

AS A RESULT OF THESE TRENDS, THE POLITBURO RECOGNIZED THAT THE SOVIET UNION COULD NO LONGER RISK THE SUSPENDED ANIMATION OF THE BREZHNEV YEARS, AND COALESCED AROUND AN IMAGINATIVE AND VIGOROUS LEADER WHOM THEY HOPED COULD REVITALIZE THE COUNTRY WITHOUT ALTERING THE BASIC STRUCTURE OF THE SOVIET STATE OR COMMUNIST PARTY.

IN GORBACHEV THEY HAVE GOTTEN MORE THAN THEY BARGAINED FOR. THE EXTRAORDINARY SCOPE OF HIS INITIATIVES, HIS ENERGY, AND HIS WILLINGNESS TO BREAK WITH PAST PRACTICES, HAS PROMPTED DEBATE NOT ONLY AT HOME BUT IN THE WEST AS TO GORBACHEV'S ULTIMATE OBJECTIVES. WITH ALL THE SPECULATION, IT IS WORTH TAKING A LOOK AT WHAT IS GOING ON -- WHAT HE ACTUALLY HAS DONE AND WHERE HE INTENDS TO GO.

STRENGTHENING THE LEADERSHIP AND HIS POSITION

THERE IS STRONG SUPPORT IN THE POLITBURO FOR MODERNIZATION OF THE SOVIET ECONOMY. WHILE POLITBURO POLITICS ARE ALWAYS OVER SIMPLIFIED AND OFTEN MISUNDERSTOOD IN THE WEST, FOR CLARITY AND BREVITY ONE MAY PRESUME THREE APPROACHES TO MODERNIZATION IN THE POLITBURO. THE FIRST, LED BY GORBACHEV, SEES A NEED TO UNDERTAKE A FAR-REACHING RESTRUCTURING OF STALINIST ECONOMIC POLICY AND ITS SLUGGISH CENTRALIZED BUREAUCRACY, AND, FURTHER, THAT REAL MODERNIZATION AND TECHNOLOGICAL ADVANCE REQUIRES A LOOSENING OF POLITICAL CONTROLS -- INCLUDING CONTROLS ON INFORMATION.

ANOTHER APPROACH, PROBABLY BEST REPRESENTED BY LIGACHEV, IS THAT MODERNIZATION CAN BE ACHIEVED BY REDUCING CORRUPTION, BY IMPROVING MANAGEMENT (AND MANAGERS), BY MEASURES MAINLY

DESIGNED TO MAKE THE EXISTING SYSTEM FUNCTION MORE EFFICIENTLY AND BY SOME CHANGES IN THE SYSTEM AT THE MARGIN. THOSE WHO HOLD THIS GENERAL VIEW SEE ALMOST ANY POLITICAL LOOSENING UP AS UNNECESSARY AND DANGEROUS. THE THIRD, MIDDLE APPROACH, PERHAPS LED BY PREMIER RYZHKOV, IS MORE ATTUNED TO GORBACHEV'S VIEW OF THE NEED FOR FAR-REACHING ECONOMIC REFORM -- THOUGH MORE SELECTIVE, BUT IS CONCERNED ABOUT THE DANGERS OF LOOSENING POLITICAL CONTROLS.

NONE OF THE THREE APPROACHES HAS A MAJORITY OF SUPPORT IN THE POLITBURO AND MOST INDIVIDUAL MEMBERS PROBABLY FIND THEMSELVES TAKING DIFFERENT POSITIONS FROM ISSUE TO ISSUE. NEARLY EVERY STEP GORBACHEV SEEKS TO TAKE TOWARD STRUCTURAL ECONOMIC OR POLITICAL CHANGE IS A STRUGGLE, AND SUPPORT IN THE POLITBURO FOR HIS INITIATIVES SHIFTS CONSTANTLY. FOR EXAMPLE, HIS PROPOSALS FOR ECONOMIC CHANGE AND FOR CONVENING A HISTORIC PARTY CONFERENCE WERE REJECTED IN JANUARY 1987, BUT ADOPTED IN JUNE. AND, DESPITE SIGNIFICANT SUCCESS IN JUNE, HIS PROGRAM HAD AGAIN RUN INTO TROUBLE BY FALL. BY YEAR'S END, HE WAS DISTANCING HIMSELF FROM THE RADICAL APPROACH TO REFORM HE HAD EMBRACED EARLIER IN FAVOR OF MORE POLITICALLY TENABLE MIDDLE GROUND. SO, HE FACES A DAY TO DAY STRUGGLE EVEN IN A POLITBURO WHERE A MAJORITY OF MEMBERS ARE NEW SINCE BREZHNEV'S DEATH. AND, AS WE SAW IN NOVEMBER WITH THE EXPULSION OF MOSCOW PARTY BOSS YELTSIN, EVEN HIS ALLIES CAN BE A HINDRANCE IN THE DELICATE POLITICAL BALANCING AND BARGAINING HE MUST PURSUE TO ACHIEVE PROGRESS.

BELOW THE POLITBURO, SUPPORT FOR CHANGE -- AND ESPECIALLY FAR-REACHING CHANGE -- IS EVEN SHAKIER. OPPOSITION FROM THE PARTY CENTRAL COMMITTEE AND PARTY APPARATUS IS A CRITICAL PROBLEM FOR GORBACHEV. SENIOR LEVELS OF THE ECONOMIC BUREAUCRACY STAND TO LOSE THE MOST IF GORBACHEV MOVES TO DECENTRALIZE THE SYSTEM AND ARE IMPORTANT OBSTACLES TO IMPLEMENTATION OF HIS PROGRAM. WHILE MANY SENIOR OFFICIALS OF THE NATIONAL SECURITY BUREAUCRACIES UNDERSTAND THE CONNECTION BETWEEN A STRONG DEFENSE AND A HEALTHY ECONOMY, THEY ALSO ARE UNHAPPY WITH THE IDEA OF GREATER CONSTRAINTS ON DEFENSE SPENDING AND SKEPTICAL OF PROMISED BENEFITS. OTHERS, FOR EXAMPLE THE KGB, ARE CONCERNED ABOUT THE POTENTIAL FOR INSTABILITY AT HOME AND IN EASTERN EUROPE CREATED BY ANY RELAXATION OF POLITICAL CONTROLS. THE SOVIET POPULATION SEEMS TO BE PASSIVELY SUPPORTIVE, BUT THEY HAVE SEEN CAMPAIGNS FOR CHANGE COME AND GO. THEY ARE SKEPTICAL THAT GORBACHEV'S EFFORTS WILL PRODUCE LASTING RESULTS OR EVEN IMMEDIATE PAYOFFS. THE INTELLIGENTSIA ARE PROBABLY THE ONLY GROUP THAT COMES CLOSE TO GIVING WHOLE-HEARTED SUPPORT.

IN SUM, GORBACHEV STILL VIGOROUSLY SUPPORTS RESTRUCTURING, HAS MADE HEADWAY IN OBTAINING POLITBURO SUPPORT, BUT FACES A LARGELY HOSTILE PARTY AND STATE BUREAUCRACY AND A CONSERVATIVE AND APATHETIC POPULATION. EVERY RUSSIAN AND SOVIET LEADER FROM PETER THE GREAT TO THE PRESENT SEEKING CHANGE OR MODERNIZATION

HAS FACED FORMIDABLE OPPOSITION. BUT, UNLIKE THEM, GORBACHEV REALISTICALLY CANNOT RESORT TO WIDE-SCALE TERROR AND VIOLENCE TO ELIMINATE THOSE WHO STAND IN HIS WAY. HE MUST RELY ON A LONG TERM, LARGELY NON-VIOLENT PURGE OF PARTY AND BUREAUCRACY AND PLACEMENT OF HIS SUPPORTERS IF HE IS TO REMAIN IN POWER AND TO SUCCEED AT ALL. THE CENTRAL QUESTION IS WHETHER HE WILL GET ENOUGH TIME.

REJUVENATION OF THE ELITE

A PURGE IS UNDERWAY. EIGHT MEMBERS OF THE POLITBURO ARE NEW SINCE GORBACHEV BECAME GENERAL SECRETARY. FORTY PERCENT OF THE CENTRAL COMMITTEE IS NEW SINCE HE ASSUMED THE REINS.

THERE HAVE BEEN OTHER LARGE SCALE PERSONNEL REPLACEMENTS.

- OF THE ELEVEN OTHER PARTY SECRETARIES, NINE ARE NEW GORBACHEV APPOINTEES.
- 59 OF 105 MEMBERS OF THE USSR COUNCIL OF MINISTERS ARE NEW SINCE GORBACHEV ASSUMED POWER.
- HE HAS APPOINTED TWELVE NEW DEPUTY CHAIRMEN OF THE COUNCIL OF MINISTERS OUT OF FOURTEEN.
- 47% OF THE OFFICIALS IN THE AGRO-INDUSTRIAL COMPLEX HAVE BEEN REPLACED.

- 15 OF 20 CENTRAL COMMITTEE DEPARTMENT CHIEFS HAVE BEEN REPLACED.
- 88 OF 157 REGIONAL FIRST SECRETARIES HAVE BEEN REPLACED.

BEYOND A SENSE OF PERSONAL JEOPARDY, MANY WHO OPPOSE GORBACHEV'S POLICIES BELIEVE THOSE POLICIES TO BE INHERENTLY MISTAKEN AND BAD FOR THE COUNTRY, THAT THEY ARE NOT IDEOLOGICALLY SOUND, AND THAT THEY COULD THREATEN PARTY CONTROL.

MODERNIZATION OF THE ECONOMY

ALTHOUGH BY 1985 GORBACHEV HAD BEEN ON THE POLITBURO FOR SIX YEARS AND A CENTRAL COMMITTEE MEMBER FOR 14 YEARS, HE NOW ADMITS THAT WHEN HE BECAME GENERAL SECRETARY HE UNDERESTIMATED THE SEVERITY OF THE ECONOMIC PROBLEMS AFFLICTING THE SOVIET UNION. ACCORDINGLY, HE SEEMS TO BE INCREASINGLY RECEPTIVE TO MORE RADICAL PROPOSALS FOR CHANGE. MANY OF HIS RECENT REMARKS SHOW INCREASING FRUSTRATION OVER THE LIMITS IMPOSED ON HIS FREEDOM OF MANEUVER BY THE STALINIST-ERA ECONOMIC DOGMA HE HAS INHERITED.

ESSENTIALLY, HE SEEMS TO HAVE ADOPTED A THREE STEP APPROACH TO REVIVING THE ECONOMY. INITIALLY, GORBACHEV RELIED ON A

COMBINATION OF MEASURES TO STRENGTHEN PARTY CONTROL, IMPROVE WORKER ATTITUDES, AND WEED OUT INCOMPETENCE -- WHAT HE REFERS TO AS "HUMAN FACTOR" GAINS. THE MOST VISIBLE AND DRAMATIC PART OF THESE EFFORTS HAS BEEN HIS CAMPAIGNS FOR DISCIPLINE AND AGAINST CORRUPTION AND ALCOHOLISM. THESE MEASURES ARE INTENDED TO INCREASE PRODUCTIVITY AND GNP SIMPLY THROUGH HARDER AND MORE DISCIPLINED WORK FOR TWO OR THREE YEARS UNTIL MOMENTUM CAN BE SUSTAINED BY THE SECOND AND THIRD STEPS -- GENUINE IMPROVEMENTS IN INDUSTRIAL PRODUCTIVITY THROUGH MODERNIZATION OF THE COUNTRY'S PLANTS AND EQUIPMENT, AND THROUGH ECONOMIC AND POLITICAL REFORM.

THE JUNE 1987 CENTRAL COMMITTEE PLENUM PROVIDED THE CLEAREST EVIDENCE SO FAR THAT GORBACHEV SEEKS A RADICAL OVERHAUL OF THE STALINIST COMMAND ECONOMY. THE BLUEPRINT FOR REFORM ADOPTED IN JUNE CONTAINS THE OUTLINES OF A NEW, MORE MARKET BASED MECHANISM FOR RUNNING THE ECONOMY THAT I BELIEVE GORBACHEV WILL PUSH.

TAKEN AS A WHOLE, THE REFORM MEASURES PUT IN PLACE IN GORBACHEV'S TWO AND A HALF YEAR TENURE ARE AN IMPRESSIVE PACKAGE THAT IN SCOPE AND SPECIFICITY GOES WELL BEYOND THE SO-CALLED KOSYGIN REFORMS ADOPTED IN 1965. NEVERTHELESS, THE REFORMS DO NOT GO NEARLY FAR ENOUGH. THE REFORM PACKAGE AS NOW CONSTITUTED IS A SET OF HALF MEASURES THAT LEAVES IN PLACE THE PILLARS OF SOCIALIST CENTRAL PLANNING.

BECAUSE OF INTERNAL CONTRADICTIONS AND THE RETENTION OF SO MANY ELEMENTS OF THE PRESENT SYSTEM, THE REFORMS HAVE YET TO BE IMPLEMENTED. EVEN IF FULLY IN PLACE IN 1991 AS INTENDED, THEY WILL NOT CREATE THE DYNAMIC ECONOMIC MECHANISM THAT GORBACHEV SEEKS AS THE MEANS TO REDUCE OR CLOSE THE TECHNOLOGICAL GAP WITH THE WEST. INSTEAD, THEY SPELL TROUBLE FOR HIS ECONOMIC PROGRAM GENERALLY. INDEED, AGGRESSIVE IMPLEMENTATION OF REFORMS IS CAUSING SERIOUS DISRUPTIONS AND TURBULENCE IN THE ECONOMY AND WILL CAUSE MORE AS THE BUREAUCRATIC FACTIONS ATTEMPT TO ADJUST TO THE MANY CHANGES BEING IMPOSED FROM ABOVE. SPECIFICALLY:

- GORBACHEV'S QUALITY CONTROL PROGRAM IS DISRUPTING PRODUCTION.
- NEW INITIATIVES IN ORGANIZATION AND MANAGEMENT ARE CREATING CONFUSION AND APPREHENSION IN SOME QUARTERS, AND BUREAUCRATIC FOOT-DRAGGING AND OUTRIGHT RESISTANCE IN OTHERS.
- DESPITE CONSIDERABLE RHETORIC, NONE OF THE PROPOSALS SO FAR GREATLY CHANGES THE SYSTEM OF ECONOMIC INCENTIVES THAT DISCOURAGE MANAGEMENT INNOVATION AND TECHNOLOGICAL CHANGE.

- A SHARP DECLINE IN SOVIET HARD CURRENCY EARNINGS (THE RESULT OF FALLING OIL PRICES AND THE DEPRECIATION OF THE DOLLAR) WILL LIMIT MUCH NEEDED SPECIALIZED IMPORTS FROM THE WEST.
- FINALLY, FOR A MODERNIZATION DRIVE THAT DEPENDS IN SUBSTANTIAL MEASURE ON HARDER WORK, THERE ARE FEW REWARDS FOR SUCH WORK. UNSATISFIED CONSUMER DEMAND IS REFLECTED IN CONTINUING LONG LINES IN STATE STORES AND RISING PRICES IN THE COLLECTIVE FARM MARKETS.

BEYOND THE SPECIFIC DIFFICULTIES FACING GORBACHEV'S ECONOMIC PROGRAM, THERE ARE BROADER REASONS FOR THE SHARP CONTRAST BETWEEN GORBACHEV'S RADICAL RHETORIC AND HIS MORE MODEST RECORD OF ACCOMPLISHMENT TO DATE:

- IT IS IN PART A MATTER OF TIMING. GORBACHEV, WHO HIMSELF CHARACTERIZED PROGRESS ON THE ECONOMIC FRONT SO FAR AS "INSIGNIFICANT" AT THE JUNE 1987 PLENUM, APPRECIATES THAT IMPLEMENTING HIS VISION WILL TAKE YEARS, IF NOT DECADES.
- A SERIES OF OBSTACLES -- FROM POLITICAL RESISTANCE TO ECONOMIC CONSTRAINTS -- HAVE SLOWED GORBACHEV'S MOMENTUM AND FORCED HIM TO COMPROMISE.

-- BUT DESIGN FLAWS, GAPS, AND CONTRADICTIONS IN THE NEW LEADERSHIP'S APPROACH, IN MY VIEW, REMAIN AN ESSENTIAL PART OF THE PROBLEM.

THUS, WHILE IMPORTANT BATTLES HAVE BEEN WON IN PRINCIPLE, THE WAR TO CHANGE FUNDAMENTALLY THE MAIN PILLARS OF THE STALINIST ECONOMIC SYSTEM MUST STILL BE FOUGHT AND WON. AND, AS GORBACHEV PERCEIVES THAT THE CAUTIOUS CHANGE THUS FAR ACCOMPLISHED IS INADEQUATE TO ACHIEVE HIS GOALS, HE MAY SEE THE NEED TO TAKE MORE AND MORE RADICAL MEASURES AND DISRUPTIVE REFORMS IN ORDER TO MAKE FURTHER PROGRESS. THIS, IN TURN, WILL GENERATE FURTHER OPPOSITION AND CONTROVERSY.

POLITICAL REFORM

GORBACHEV'S PLANS FOR THE POLITICAL SYSTEM REMAIN LESS WELL-DEFINED THAN HIS ECONOMIC AGENDA. BUT HE AND HIS ALLIES HAVE SHOWN A GROWING CONVICTION THAT THE REVITALIZATION OF SOCIETY AND ECONOMY CAN SUCCEED ONLY IF THERE ARE SIGNIFICANT CHANGES IN THE POLITICAL ARENA AS WELL. THE REGIME APPEARS TO BE MOVING ON AT LEAST THREE FRONTS TO CREATE THE POLITICAL CLIMATE IT SEEKS:

- THE FIRST IS IDEOLOGY. GORBACHEV IS FRUSTRATED WITH THE STRAITJACKET OF INHERITED DOCTRINE THAT OPPONENTS OF CHANGE HAVE SOUGHT TO IMPOSE ON HIM. GORBACHEV TOLD THE JANUARY 1987 CENTRAL COMMITTEE PLENUM, THAT "THE THEORETICAL CONCEPTS OF SOCIALISM REMAINED AT THE LEVEL OF THE 1930S AND 1940S." HE SEEKS TO EXPAND HIS ROOM TO MANEUVER BY AN INCREASINGLY OPEN ATTACK ON STAGNATION IN IDEOLOGY AND BY DEPICTING HIS OWN PROPOSALS AS AN EFFORT TO RETURN TO LENIN'S ORIGINAL INTENT.

- THE SECOND FRONT IS DEMOCRATIZATION. GORBACHEV'S CAMPAIGN FOR "DEMOCRATIZATION" IS DESIGNED TO REVITALIZE THE COUNTRY'S POLITICAL INSTITUTIONS. GORBACHEV WANTS TO SANCTION MULTIPLE CANDIDATES FOR LOCAL AND REGIONAL ELECTIONS IN THE PARTY AND STATE APPARATUS BOTH TO HELP DISLODGE CONSERVATIVE OFFICIALS WHO ARE RESISTING HIS REFORMS BUT ALSO TO SANCTION A MEASURE OF DIVERSITY AND DEBATE. MOST OF THIS IS RHETORIC; THERE HAVE BEEN ONLY A FEW EXPERIMENTS ALONG THESE LINES, AND IN RECENT MONTHS EVEN GORBACHEV HAS BACKED AWAY FROM SOME OF THE MORE CONTROVERSIAL ASPECTS OF HIS "DEMOCRATIZATION" CAMPAIGN.

-- THE THIRD FRONT IS GLASNOST, OR OPENNESS. TIGHT CENTRAL CONTROLS OVER THE FLOW OF IDEAS AND INFORMATION LIE AT THE HEART OF THE SOVIET SYSTEM. REMARKS BY GORBACHEV AND HIS KEY ALLIES INDICATE THAT THE NEW LEADERSHIP BELIEVES THAT THIS APPROACH IS INCOMPATIBLE WITH AN INCREASINGLY WELL-EDUCATED SOCIETY, COMPLEX ECONOMY AND THE POLITICAL NEEDS OF THE MOMENT.

I SEE SEVERAL MOTIVES BEHIND GLASNOST, NOT LEAST OF WHICH IS USE OF AN APPARENT LIBERALIZING FORCE TO ACHIEVE SOME RATHER OLD-FASHIONED OBJECTIVES.

GLASNOST IS BEING USED TO CRITICIZE OFFICIALS GORBACHEV SEES AS HOSTILE AND TO PRESSURE THEM TO GET WITH THE PROGRAM.

IT IS BEING USED TO HIGHLIGHT PROBLEMS HE WANTS TO ATTACK -- SUCH AS ALCOHOLISM AND DRUG ABUSE -- IN ORDER TO MOBILIZE SOCIETY BEHIND HIS CAMPAIGNS.

HE HOPES TO USE THE ATMOSPHERE OF GREATER OPENNESS TO COOPT INTELLECTUALS AND PARTICULARLY ENGINEERS AND SCIENTISTS TO BE FULL PARTNERS IN THE ATTEMPT TO MODERNIZE THE ECONOMY -- TO OVERCOME THEIR CYNICISM.

BY ALLOWING UNORTHODOX CULTURAL WORKS TO APPEAR, GORBACHEV IS HOPING TO REDUCE THE INCENTIVE TO BYPASS OFFICIAL ORGANS AND PUBLISH MATERIALS IN THE UNDERGROUND PRESS.

IT ENABLES THE REGIME TO COMPETE WITH FOREIGN AND OTHER UNOFFICIAL SOURCES OF INFORMATION. SINCE THE POPULATION WILL HEAR ABOUT RIOTING IN KAZAKHSTAN AND THE DISASTER AT CHERNOBYL ANYWAY, GORBACHEV BELIEVES IT IS BEST TO PRINT THE NEWS AND PUT AN OFFICIAL SPIN ON IT.

FINALLY, HE INTENDS TO LEGITIMIZE BROADER DISCUSSION OF PROBLEMS AND POSSIBLE SOLUTIONS THAN PERMITTED HERETOFORE IN ORDER TO BREAK THE BACK OF DOMESTIC RESISTANCE AND INCREASE HIS ROOM FOR MANEUVER AT HOME. FURTHER, HE SEES THE EXPANSION OF POLITICAL DEBATE AS A NECESSARY STEP TO ACHIEVE HIS LONGER RANGE GOALS.

TO KEEP GLASNOST IN PERSPECTIVE, IT IS IMPORTANT TO OBSERVE THAT THERE HAS BEEN NO DIRECT CRITICISM OF GORBACHEV PERSONALLY OR HIS LEADERSHIP. SIMULTANEOUSLY, UNDER HIS AUTHORITY, THERE HAS BEEN CONTINUED REPRESSION OF SOME UNOFFICIAL CHANNELS OF

INFORMATION, AND SEVERE REACTIONS TO NATIONALISTIC DEMONSTRATIONS SUCH AS IN LATVIA. WITH RARE EXCEPTIONS, ONLY THOSE IN GENERAL AGREEMENT WITH THE CENTRAL THRUST OF GORBACHEV'S POLICIES ARE ALLOWED TO VOICE THEIR VIEWS. IN SHORT, THERE HAS BEEN A MORE OPEN AIRING OF PROBLEMS, BUT ONLY A VERY LIMITED EXPANSION OF POLITICAL DEBATE. EVEN THIS HAS LED TO CONTROVERSY OVER THE POLICY ITSELF AND OPEN CRITICISM BY OTHERS IN THE POLITBURO THAT "OPENNESS" HAS GONE TOO FAR. GORBACHEV HIMSELF HAS CAUTIONED MEDIA OFFICIALS NOT TO GO TOO FAR LEST THEY UNDERMINE SOCIALIST VALUES OR CREATE A CLIMATE OF DISRESPECT FOR PARTY OFFICIALS. YET, GORBACHEV ALREADY HAS SET LOOSE FORCES THAT WILL BE IMMENSELY DIFFICULT AND PAINFUL TO LEASH -- AS MUST HAPPEN AT SOME POINT.

WHILE GORBACHEV'S BOLD POLITICAL MOVES AND RADICAL RHETORIC HAVE SHAKEN THE SOVIET SYSTEM, HE HAS NOT YET CHANGED IT. THE REGIME'S ACTUAL REFORM INITIATIVES HAVE SO FAR BEEN CAREFULLY CIRCUMSCRIBED TO INSURE THAT THEY DO NOT DEPART TOO BOLDLY FROM EXISTING APPROACHES. THE ULTIMATE FATE OF HIS VISION OF REFORM WILL DEPEND ON HOW SUCCESSFUL HE IS IN PUSHING AHEAD WITH ITS IMPLEMENTATION OVER THE NEXT DECADE IN THE FACE OF DESIGN FLAWS, ECONOMIC DISRUPTION, TREMENDOUS OPPOSITION AND, WORSE, APATHY. BUREAUCRATIC AS WELL AS POPULAR HOSTILITY IS LIKELY TO GROW AS DISRUPTION AND DISLOCATION BROUGHT ABOUT BY CHANGE

RESULT IN ECONOMIC SETBACKS AND, IN ALL LIKELIHOOD, A WORSENING SITUATION FOR THE CONSUMER. WHAT GORBACHEV IS SUCCESSFULLY CHANGING IS THE OFFICIALDOM OF THE PARTY AND STATE BUREAUCRACY. ONCE AGAIN, THE PURGE HAS BECOME THE VEHICLE FOR CONSOLIDATING AND ENHANCING PERSONAL POWER, AS WELL AS FOR IMPLEMENTING CHANGE.

IMPLICATIONS FOR FOREIGN POLICY

THERE SEEMS TO BE GENERAL AGREEMENT IN THE POLITBURO THAT, FOR NOW, ECONOMIC MODERNIZATION REQUIRES A MORE PREDICTABLE, IF NOT BENIGN, INTERNATIONAL ENVIRONMENT. THE ELEMENTS OF FOREIGN POLICY THAT SPRING FROM DOMESTIC ECONOMIC WEAKNESS ARE A MIX OF NEW INITIATIVES AND LONGSTANDING POLICIES. FIRST, GORBACHEV WANTS TO ESTABLISH A NEW AND FAR-REACHING DETENTE FOR THE FORESEEABLE FUTURE TO OBTAIN TECHNOLOGY, INVESTMENT, TRADE AND, ABOVE ALL, TO AVOID MAJOR NEW MILITARY EXPENDITURES WHILE THE SOVIET ECONOMY IS REVIVED. GORBACHEV MUST SLOW OR STOP AMERICAN MILITARY MODERNIZATION, ESPECIALLY SDI, THAT THREATENS NOT ONLY SOVIET STRATEGIC GAINS OF THE LAST GENERATION BUT WHICH ALSO, IF CONTINUED, WILL FORCE THE USSR TO DEVOTE HUGE NEW RESOURCES TO THE MILITARY IN A HIGH TECHNOLOGY COMPETITION FOR WHICH THEY ARE ILL-EQUIPPED. THE SOVIETS KNOW THAT DETENTE IN THE EARLY 1970S CONTRIBUTED SIGNIFICANTLY TO DOWNWARD PRESSURE ON WESTERN DEFENSE BUDGETS, SLOWED MILITARY

MODERNIZATION, WEAKENED RESOLVE TO COUNTER SOVIET ADVANCES IN THE THIRD WORLD, AND OPENED TO THE USSR NEW OPPORTUNITIES FOR WESTERN TECHNOLOGY AND ECONOMIC RELATIONS.

SECOND, A LESS VISIBLE BUT ENDURING ELEMENT OF FOREIGN POLICY -- EVEN UNDER GORBACHEV -- IS THE CONTINUING EXTRAORDINARY SCOPE AND SWEEP OF SOVIET MILITARY MODERNIZATION AND WEAPONS RESEARCH AND DEVELOPMENT. DESPITE SOVIET RHETORIC, WE STILL SEE NO LESSENING OF THEIR WEAPONS PRODUCTION. AND, FURTHER, SOVIET RESEARCH ON NEW, EXOTIC WEAPONS SUCH AS LASERS AND THEIR OWN VERSION OF SDI CONTINUES APACE. VIRTUALLY ALL OF THEIR PRINCIPAL STRATEGIC WEAPONS WILL BE REPLACED WITH NEW, MORE SOPHISTICATED SYSTEMS BY THE MID-1990S, AND A NEW STRATEGIC BOMBER IS BEING ADDED TO THEIR ARSENAL FOR THE FIRST TIME IN DECADES. THEIR DEFENSES AGAINST US WEAPONS ARE BEING STEADILY IMPROVED, AS ARE THEIR CAPABILITIES FOR WAR-FIGHTING. AS OUR DEFENSE BUDGET DECLINES AGAIN, THEIRS CONTINUES TO GROW, ALBEIT SLOWLY. GORBACHEV IS PREPARED TO EXPLORE -- AND, I THINK, REACH -- SIGNIFICANT REDUCTIONS IN WEAPONS, BUT PAST PRACTICE SUGGESTS THE SOVIETS WILL SEEK AGREEMENTS THAT PROTECT EXISTING ADVANTAGES, LEAVE OPEN ALTERNATIVE AVENUES OF WEAPONS DEVELOPMENT, OFFER COMMENSURATE POLITICAL GAINS, OR TAKE ADVANTAGE OF US UNILATERAL RESTRAINT OR CONSTRAINTS (SUCH AS OUR UNWILLINGNESS IN THE 1970S TO BUILD A LIMITED ABM AS PERMITTED BY THE TREATY).

THE THIRD ELEMENT OF GORBACHEV'S FOREIGN POLICY IS CONTINUED AGGRESSIVE PURSUIT OF SOVIET OBJECTIVES AND PROTECTION OF SOVIET CLIENTS IN THE THIRD WORLD. UNDER GORBACHEV, THE SOVIETS AND CUBANS ARE NOW PROVIDING MORE THAN A BILLION DOLLARS A YEAR IN ECONOMIC AND MILITARY ASSISTANCE TO NICARAGUA; MORE THAN A BILLION DOLLARS WORTH OF MILITARY EQUIPMENT WAS SENT TO VIETNAM, LAOS AND CAMBODIA IN THE FIRST SIX MONTHS OF LAST YEAR; MORE THAN FOUR BILLION DOLLARS IN MILITARY EQUIPMENT HAS BEEN SENT TO ANGOLA SINCE 1984. AND, OF COURSE, CUBA GETS ABOUT FIVE BILLION DOLLARS IN SOVIET SUPPORT EACH YEAR. AT A TIME OF ECONOMIC STRESS AT HOME, THESE COMMITMENTS SPEAK CLEARLY ABOUT SOVIET PRIORITIES. THERE HAS BEEN NO REPUDIATION OF THE BREZHNEV DOCTRINE.

THE FOURTH ELEMENT OF GORBACHEV'S FOREIGN POLICY IS NEW AND DYNAMIC DIPLOMATIC INITIATIVES TO WEAKEN TIES BETWEEN THE US AND ITS WESTERN ALLIES, CHINA, JAPAN, AND THE THIRD WORLD; TO PORTRAY THE SOVIET GOVERNMENT AS COMMITTED TO ARMS CONTROL AND PEACE; AND TO SUGGEST MOSCOW'S INTEREST IN DIPLOMATIC SOLUTIONS TO AFGHANISTAN AND CAMBODIA. WE CAN AND SHOULD EXPECT NEW AND BOLDER INITIATIVES INCLUDING CONVENTIONAL FORCE REDUCTIONS -- POSSIBLY UNILATERAL -- THAT WILL SEVERELY TEST ALLIANCE COHESION. SIMILARLY, NEW INITIATIVES WITH CHINA AND JAPAN WILL BE ATTEMPTED TO OVERCOME BILATERAL OBSTACLES TO IMPROVED RELATIONS AND TO EXPLOIT PROBLEMS BETWEEN THEM AND THE US. AND, IN THE THIRD WORLD, THEY WILL SEEK TO TAKE ADVANTAGE OF ANY RELAXATION OF US VIGILANCE OR CONSTANCY.

THESE NEW INITIATIVES ALSO ARE INTENDED TO BREAK SOVIET FOREIGN POLICY OUT OF LONGSTANDING TACTICAL DEADENDS AND TO MAKE THE SOVIET UNION A MORE EFFECTIVE, FLEXIBLE AND VIGOROUS PLAYER THROUGHOUT THE WORLD. THE RESULT IS LIKELY TO BE A SOVIET POLITICAL CHALLENGE TO THE US ABROAD THAT COULD POSE GREATER PROBLEMS FOR OUR INTERNATIONAL POSITION, ALLIANCES AND RELATIONSHIPS IN THE FUTURE THAN THE HERETOFORE ONE DIMENSIONAL SOVIET MILITARY CHALLENGE. CONSIDERABLE NEW THINKING, FLEXIBILITY AND POLITICAL AGILITY WILL BE NEEDED ON OUR OWN PART TO ANTICIPATE AND COUNTER SOVIET INITIATIVES AND TO AVOID BEING OUTMANEUVERED AND PLACED CONSISTENTLY ON THE DEFENSIVE.

CONCLUSIONS

THERE IS A NEW DYNAMIC AT WORK INSIDE THE SOVIET UNION AND IN SOVIET DIPLOMACY. WHILE ACTUAL CHANGES IN THE ECONOMY OR POLITICAL LIFE OF THE SOVIET UNION SO FAR HAVE BEEN MODEST, WHAT GORBACHEV ALREADY HAS SET IN MOTION REPRESENTS A POLITICAL EARTHQUAKE. ONE CANNOT, IT SEEMS TO ME, DISMISS WHAT HE IS SAYING OR ATTEMPTING AS SIMPLY NOISE OR MORE OF THE SAME, BETTER PACKAGED. HE IS PULLING ALL OF THE LEVERS OF CHANGE IN A SOCIETY AND CULTURE THAT HISTORICALLY HAS RESISTED CHANGE -- AND WHERE CHANGE USUALLY HAS BEEN VIOLENT AND WRENCHING. THE FORCES HE HAS UNLEASHED ARE POWERFUL BUT SO ARE THE PEOPLE AND

INSTITUTIONS HE HAS ANTAGONIZED -- THUS SETTING IN MOTION A TREMENDOUS POWER STRUGGLE AND PURGE NO LESS DRAMATIC FOR THE ABSENCE OF SHOW TRIALS AND TERROR.

THE STRUGGLE IS ESSENTIALLY BETWEEN THOSE SEEKING TO PRESERVE THE STATUS QUO -- AND THEIR POWER IN IT -- AND GORBACHEV AND HIS ALLIES WHO SEEK TO REPLACE THOSE NOW IN POWER AND, IRONICALLY, TO TURN THE CLOCK BACK, BACK BEFORE STALINISM TO LENINISM. AS THE SOVIETS SAY, IT IS NOT BY ACCIDENT THAT GORBACHEV CONSTANTLY REFERS TO LENIN OR THAT OTHERS SPEAK OF THE OSSIFIED IDEOLOGY OF THE 1930S AND 1940S. GORBACHEV SEEKS TO RESTORE IN THE USSR A SYSTEM IN WHICH SOME -- THOUGH CERTAINLY NOT ALL -- ELEMENTS OF THE STALINIST ECONOMIC STRUCTURE AND BUREAUCRACY ARE ELIMINATED THUS OPENING THE WAY TO GREATER FLEXIBILITY AND INNOVATION AND THEREBY TO MODERNIZATION AND IMPROVED PERFORMANCE.

IN THE POLITICAL ARENA, GORBACHEV'S LENINISM MEANS THE CONTINUED POLITICAL MONOPOLY OF THE COMMUNIST PARTY, ITS ROLE AS SOLE ARBITER OF THE NATIONAL AGENDA, ITS CONTROL OF ALL THE LEVERS OF POWER, AND ITS ULTIMATE AUTHORITY OVER ALL ASPECTS OF NATIONAL LIFE -- INCLUDING THE LAW. IT ALSO MEANS A MASSIVE PURGE OF THE PARTY AND GOVERNMENT BUREAUCRACY, NOW UNDERWAY. GORBACHEV'S OWN BOOK MAKES CLEAR THAT "DEMOCRATIZATION" SOVIET-STYLE DOES NOT MEAN MOVING THE USSR AWAY FROM MARXISM-LENINISM AND ITS ESSENTIALLY TOTALITARIAN STRUCTURE. I, FOR ONE, DO NOT FIND A RETURN TO LENINISM COMFORTING.

WESTERNERS FOR CENTURIES HAVE HOPED REPEATEDLY THAT RUSSIAN ECONOMIC MODERNIZATION AND POLITICAL REFORM -- EVEN REVOLUTION -- SIGNALLED AN END TO DESPOTISM. REPEATEDLY SINCE 1917, THE WEST HAS HOPED THAT DOMESTIC CHANGES IN THE USSR WOULD LEAD TO CHANGES IN COMMUNIST COERCIVE RULE AT HOME AND AGGRESSIVENESS ABROAD. THESE HOPES, DASHED TIME AND AGAIN, HAVE BEEN REVIVED BY GORBACHEV'S AMBITIOUS DOMESTIC AGENDA, INNOVATIVE FOREIGN POLICY AND PERSONAL STYLE.

THERE IS A CHANCE -- A VERY SMALL ONE IN MY VIEW -- THAT GORBACHEV IS SETTING LOOSE FORCES THAT NEITHER HE NOR THE PARTY WILL BE ABLE TO CONTROL AND THAT, CONTRARY TO THEIR INTENTIONS AND EXPECTATIONS, ULTIMATELY MAY BRING A FUNDAMENTAL AND WELCOME TRANSFORMATION OF THE SOVIET UNION AT HOME AND ABROAD. AS WE HOPE THAT THIS REMOTE POSSIBILITY SOMEDAY COMES TO PASS, I WOULD ADVISE, IN OLIVER CROMWELL'S FAMOUS WORDS, THAT WE "TRUST IN GOD, BUT KEEP YOUR POWDER DRY."

ENDURING CHARACTERISTICS OF SOVIET GOVERNANCE AT HOME AND POLICY ABROAD MAKE IT CLEAR THAT -- WHILE THE CHANGES UNDERWAY OFFER OPPORTUNITIES FOR THE UNITED STATES AND FOR A RELAXATION OF TENSIONS -- GORBACHEV INTENDS IMPROVED SOVIET ECONOMIC PERFORMANCE, GREATER POLITICAL VITALITY AT HOME, AND MORE DYNAMIC DIPLOMACY TO MAKE THE USSR A MORE COMPETITIVE AND STRONGER ADVERSARY IN THE YEARS AHEAD. WE MUST NOT MISLEAD OURSELVES OR ALLOW OURSELVES TO BE MISLED INTO BELIEVING OTHERWISE.

HOW THEN DO I ANSWER WHETHER IT IS IN OUR INTEREST FOR GORBACHEV TO SUCCEED OR FAIL? I BELIEVE THAT TO THE DEGREE HE IS EVEN MODESTLY SUCCESSFUL THE UNITED STATES WILL FACE IN THE 1990S AND BEYOND A MILITARILY POWERFUL, DOMESTICALLY MORE VITAL AND POLITICALLY MORE ADROIT SOVIET UNION -- A SOVIET UNION WHOSE AGGRESSIVE OBJECTIVES ABROAD AND ESSENTIAL TOTALITARIANISM AT HOME REMAIN LARGELY UNCHANGED. I BELIEVE A STILL LONG COMPETITION AND STRUGGLE WITH THE SOVIET UNION LIE BEFORE US. SEEING THIS REALITY CLEARLY -- THE OPPORTUNITIES AS WELL AS THE DANGERS -- WILL BE AN EXTRAORDINARY CHALLENGE FOR THE UNITED STATES AND THE WESTERN DEMOCRACIES IN THE YEARS AHEAD.

~~CONFIDENTIAL~~



The Honorable Robert M. Gates
Trip to Dallas, Texas
18-20 January 1988

~~CONFIDENTIAL~~

Schedule of Events/
Contacts

E-System Visit

Dallas Assembly
Charter 100
Atlantic Council

ed Info

ting

TABLE OF CONTENTS

Schedule of Events/Contacts
Summary Memo

E-System Visit
Biography

Dallas Assembly/Charter 100/Atlantic Council Luncheon Meeting
Biographies

Dallas Assembly List of Attendees
Background Information (Charter 100 & Atlantic Council)
Correspondence

Dallas Council on World Affairs (DCWA) Meeting
Biographies
Correspondence & Press Release

Dallas Council on World Affairs Off-the-Record Dinner
List of Attendees

CEO Off-the-Record Breakfast
List of Invitees
Correspondence

Editorials and Articles
DALLAS MORING NEWS
DALLAS TIMES HERALD